

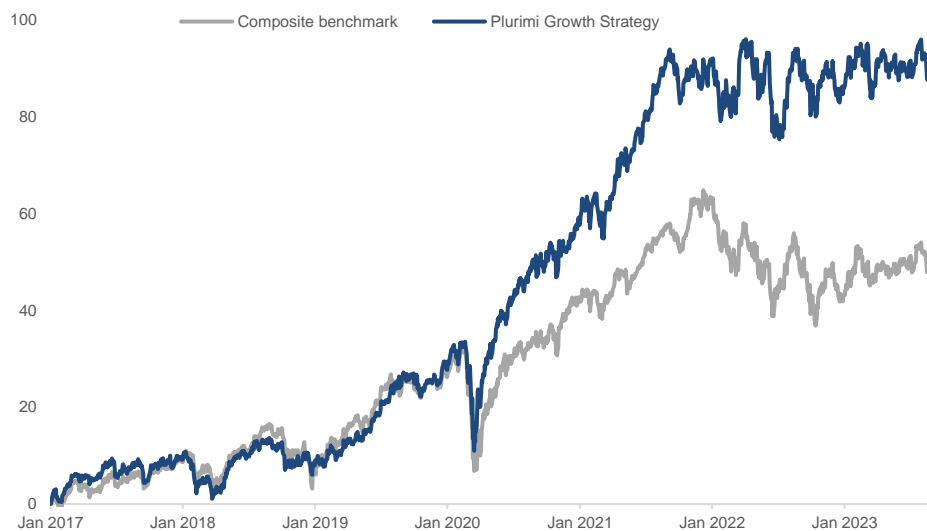
## Objectives

The objective of the Plurimi Growth strategy is to achieve long-term capital appreciation through investments primarily in global stocks. The strategy is a flexible and seeks to maximise returns vs. a composite 70% MSCI World, 15% FTSE UK Gilts and 15% Markit iBoxx GBP Liquid Corporate Large Cap benchmark by employing active bottom-up stock selection, and tactical allocations across regions, styles and other asset classes.

## Risk and return targets

- Typical beta vs. MSCI World: 0.8
- Beta range: 0.5-1.0
- Return target: Composite benchmark +2 % per annum.

## Total return (%)



Total return in GBP terms. (Jan 2017 - Aug 2023)  
Gross of fees

Source: Bloomberg

## Monthly performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2023</b>	3.0	-0.9	0.9	-0.5	-1.5	2.0	2.4	-1.0					<b>4.5</b>
<b>2022</b>	-3.8	1.3	4.5	-2.1	0.6	-7.4	6.3	1.2	-5.3	3.9	2.2	-3.1	<b>-2.6</b>
<b>2021</b>	-0.6	0.3	3.5	4.8	1.3	4.1	2.5	3.8	-2.7	0.6	-0.5	2.2	<b>20.8</b>
<b>2020</b>	0.9	-3.0	-2.1	6.8	7.1	1.7	1.0	3.3	1.2	-2.3	4.0	3.1	<b>23.5</b>
<b>2019</b>	0.6	0.4	3.6	1.0	0.8	2.8	4.0	2.4	0.3	-2.1	2.1	1.6	<b>18.2</b>
<b>2018</b>	-2.2	-1.7	-2.0	2.4	4.1	0.1	1.6	0.8	0.0	-3.1	0.9	-1.8	<b>-1.0</b>

Total return in GBP terms. (Jan 2017 - Aug 2023)  
Gross of fees. Current year and previous five calendar years shown.

Source: Bloomberg

## Equity sector exposure (scaled to 100%)

	Strategy	MSCI World	+/-
Communication Services	7.9	7.3	0.7
Consumer Discretionary	16.3	11.0	5.3
Consumer Staples	5.9	7.2	-1.3
Energy	8.1	4.9	3.3
Financials	17.8	14.7	3.2
Health Care	14.2	12.7	1.5
Industrials	8.8	10.9	-2.1
Information Technology	18.0	22.2	-4.3
Materials	2.9	4.1	-1.2
Real Estate	0.0	2.4	-2.4
Utilities	0.0	2.6	-2.6

Source: Bloomberg

## Key points

Stock selection driven by independent research and proprietary selection models.

Top-down regional and style allocations.

More than 50% invested in equities, with flexibility to allocate to cash, commodities, fixed income and structured notes.

## Key risks

Capital is at risk. The strategy has a flexible asset allocation policy, which means allocations to risky assets are not fixed and may be increased at the portfolio managers discretion. More than half of the exposure is allocated to equities. The strategy invests globally and takes currency exposure which also can create capital losses. The strategy is diversified but Individual stock and corporate bond risk may be significant.

## Relative risk vs composite benchmark

Tracking error (%)	5.7
Beta	0.8

## Performance indicators (%)

	Strategy	Benchmark
Annualised return	10.4	6.6
Annualised volatility	9.2	10.0
Sharpe ratio	1.0	0.6
Best month	7.0	8.0
Worst month	-7.4	-7.9
Max drawdown	-16.9	-19.4

## Holdings (%)

NOVO NORDISK A/S-B	3.3
SHELL PLC	2.9
HERMES INTERNATIONAL	2.9
ALPHABET INC-CL C	2.9
ADOBE INC	2.8
APPLE INC	2.8
ASML HOLDING NV	2.6
EOG RESOURCES INC	2.6
STELLANTIS NV	2.5
ACTIVISION BLIZZARD INC	2.5
ZOETIS INC	2.4
BANCO BILBAO VIZCAYA ARGENTA	2.3
AON PLC-CLASS A	2.2
VISA INC-CLASS A SHARES	2.2
AMAZON.COM INC	2.2
MICROSOFT CORP	2.1
ASAHI GROUP HOLDINGS LTD	2.1
DEERE & CO	2.1
RECRUIT HOLDINGS CO LTD	2.1
BIOGEN INC	2.0
HARTFORD FINANCIAL SVCS GRP	2.0
ARCELORMITTAL	2.0
ROCHE HOLDING AG-GENUSSCHEIN	1.9
DANONE	1.9
CAPGEMINI SE	1.9
LAS VEGAS SANDS CORP	1.9
CITIGROUP INC	1.8
MITSUBISHI CORP	1.8
PAYPAL HOLDINGS INC	1.7
ALIBABA GROUP HOLDING-SP ADR	1.6
ISHARES GBP CORP BOND 0-5YR	7.6
WT AT1 COCO ETF GBP HEDGED	4.8
LLOYDS 2 ½ 10/16/24	3.3
UBS 2 ½ 08/08/25	3.1
GS 3 ¾ 07/25/29	2.9
LYXOR US TIPS DR D HDG GBP	1.0
SPDR GOLD SHARES	3.3
TABULA US ENHANCED INF GBPHA	5.0
BRITISH POUND	1.0

Source: Bloomberg

## Commentary

The strategy fell by 1.0% during the month, lagging its composite benchmark which fell by 0.7%.

During the month we sold Fortinet, Merck, and Nippon T&T. **Roche** was added early in the month. Roche has been a poor performer this years as it has a major headwind in the form of 5 billion francs of Covid-19-related revenue recorded in 2022 that isn't expected to recur, making 2023 something of a transition earnings year. 2023 also brings a new CEO and new Pharma and Diagnostic heads for the market to assess. The stock has traditionally traded at a premium to peers but has fallen to a discount for the reasons listed. We think this represents a good entry point before the company's Analyst day in September where it will discuss its pipeline of new drugs. The stock trades at less than 15x forecast earnings and pays a Swiss Franc yield of 3.5%. **Recruit Holdings** provides human resource technology, marketing media, and temporary staffing services. The company continues to reduce costs and focus on profitability. Revenue from paid job advertisements is stagnant but the company is consistently buying back shares and it is trading at 13x EV/Ebitda which is a discount to peers. **Amazon** was added towards the end of the month as the stock pulled back from July highs. Amazon's growing ad business and continued strength from Amazon Web Services should lead to more strong results. Cost cuts and resilient pricing are producing improved margins. Pharmacy and growth in grocery are potential upside revenue generators. The stock continues to trade at elevated multiples, but at 20x 2026 forecast earnings there is a prospect for realistic upside should the company beat expectations.

**Novo Nordisk** was the strategy's best performer in August. The stock rallied by 17% on positive trials results for weight loss drug Ozempic. Its use reduced symptoms of heart failure in obese patients in a first-of-its-kind clinical trial. Scientists are investigating more future applications for the drug beyond its current usage. It has prospects to be used as an insurable health related drug, expanding its use beyond vanity. **Aon** rose by 3%. The Company is comprised of risk and insurance brokerage consulting. It has produced better margin and growth than large peers, and following the failed acquisition of Willis Towers Watson it can focus on organic growth. Market conditions should be accommodative in the near term, but costs are rising. Aon's target for mid-single-digit or higher organic revenue growth in 2023 seems fair. **Visa** rose by 5%. Visa and Mastercard Inc. are planning to boost the fees that many retailers pay when accepting customers' credit and debit cards. The additional Visa charges are slated to begin in October for online transactions, followed in April by new fees for commercial credit, debit and prepaid cards.

**Fortinet** was the largest detractor, falling 24% after it missed consensus earnings and revenue estimates. We removed the stock shortly after the announcement. **Paypal** fell 16% on reported 2Q23 revenue which was down 8% but it delivered EPS in-line with expectations. The stock trades at attractive multiples and continues to deliver attractive top line growth.

The strategy's shorter duration stance in fixed income delivered negative returns but outperformed the fixed income portion of the benchmark.. We increased the wight in the 0-5 years iShares Core GBP Corporate bond etf during the month on attractive yields, particularly at the front end of the curve. Gold was flat over the month. We marginally reduced the holding, as rising real yields on Treasuries may prove to be a headwind for gold prices from here.

## Strategy managers:

Patrick Armstrong, CFA  
Eugen Fostiak

**Target return:** Composite benchmark +2% p.a.

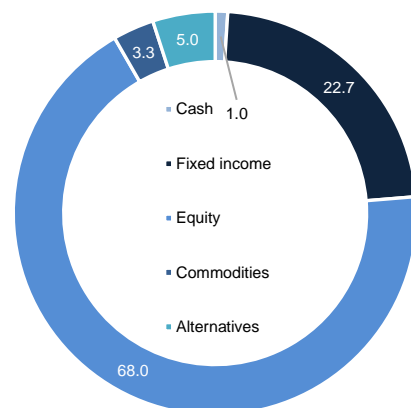
**Holdings:** 39

## Regional equity exposure (scaled to 100%)

	Strategy	MSCI W	Relative
North America	53.2	71.6	-18.4
Europe ex-UK	31.3	14.7	16.6
UK	4.3	3.9	0.4
Japan	8.8	6.1	2.7
Asia & EM	2.4	3.7	-1.4

## Asset allocation

(%)



## 1 month performance contribution (%)

	Attribution	Top contributors	Return
Communication Services	0.2	NOVO NORDISK A/S-B	17.1
Consumer Discretionary	-0.6	ALPHABET INC-CL A	4.2
Consumer Staples	-0.1	ADOBE INC	4.0
Energy	0.0	RECRUIT HOLDINGS CO LTD	5.7
Financials	-0.1	AON PLC-CLASS A	6.3
Health Care	0.4		
Industrials	0.1	<b>Bottom contributors</b>	<b>Return</b>
Information Technology	-0.5	FORTINET INC	-23.8
Materials	-0.1	PAYPAL HOLDINGS INC	-16.3
Real Estate	0.0	CITIGROUP INC	-11.0
Utilities	0.0	STELLANTIS NV	-7.9
		HERMES INTERNATIONAL	-5.8

## Equity characteristics

	Strategy	MSCI World
Dividend Yield	2.3	2.3
Price to Earnings Ratio (P/E)	13.7	19.7
Price to Cash Flow Ratio (P/CF)	13.4	14.0
Price to Book Ratio (P/B)	2.2	3.0
Total Debt to Common Equity	134	145
Current Ratio	1.4	1.2
Est ROE	10.6	29.5
Op. Income Growth	-1.6	-1.5
Sales Growth	14.6	5.3
Est P/E	12.9	16.8
Debt/EBITDA	3.2	3.2
Est EV/EBITDA	14.5	11.3
Profit Margin	10.7	9.6
ROC	5.9	7.2

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